

WHAT IS CLAIMED IS:

1 1. A method for coordinating an Internet-based financial transaction
2 between an Internet merchant and a customer, the method comprising:
3 receiving, with a payment network, a first information packet from the Internet
4 merchant, the first information packet comprising a credential assigned to the customer and
5 transaction information specifying at least a cost of the Internet-based financial transaction;
6 determining from the credential, with the payment network, account
7 information that identifies a financial account maintained by the customer at a financial
8 institution and authorization information that allows debit access to the identified financial
9 account;
10 generating, with the payment network, a second information packet
11 comprising the transaction information, the account information, and the authorization
12 information; and
13 transmitting, with the payment network, the second information packet to the
14 financial institution with a request to perform a debit transaction from the identified financial
15 account for the specified cost of the Internet-based financial transaction.

1 2. The method recited in claim 1 further comprising:
2 receiving, with the payment network, a response from the financial institution
3 indicating approval or denial of the debit transaction; and
4 transmitting, with the payment network, an authorization code to the Internet
5 merchant indicating approval or denial of the Internet-based financial transaction in
6 accordance with the response received from the financial institution.

1 3. The method recited in claim 2 further comprising:
2 performing, with the payment network, a risk analysis of the Internet-based
3 financial transaction; and
4 determining, with the payment network, whether to provide a guarantee of the
5 Internet-based transaction to the Internet merchant based on the risk analysis,
6 wherein the authorization code further reflects whether the guarantee is
7 provided.

1 4. The method recited in claim 1 wherein the second information packet
2 is transmitted to the financial institution over an automated clearing house (“ACH”) network.

1 5. The method recited in claim 1 wherein the second information packet
2 is transmitted to the financial institution over a debit system.

1 6. The method recited in claim 1 wherein the second information packet
2 is transmitted directly to the financial institution from the payment network.

1 7. The method recited in claim 1 wherein:
2 the account information comprises a primary account number (“PAN”) for the
3 identified financial account; and
4 the authorization information comprises a personal identification number
5 (“PIN”) assigned to the customer for accessing the identified financial account.

1 8. The method recited in claim 1 further comprising crediting, with the
2 payment network, a loyalty program for the customer in response to execution of the Internet-
3 based financial transaction.

1 9. The method recited in claim 1 wherein:
2 the credential comprises an electronic file having encrypted content received
3 from the customer; and
4 determining account information comprises decrypting the encrypted content.

1 10. A method for coordinating an Internet-based financial transaction
2 between an Internet merchant and a customer, the method comprising:
3 receiving, with a payment network, a first information packet comprising an
4 electronic file having encrypted content and transaction information specifying at least a cost
5 of the Internet-based financial transaction;

6 decrypting the electronic file, with the payment network, to recover a primary
7 account number (“PAN”) that identifies a financial account maintained by the customer at a
8 financial institution and to recover a personal identification number (“PIN”) assigned to the
9 customer for accessing the identified financial account;

10 generating, with the payment network, a second information packet
11 comprising the transaction information, the PAN, and the PIN;

12 transmitting, with the payment network, the second information packet to the
13 financial institution with a request to perform a debit transaction from the identified financial
14 account for the specified cost of the Internet-based financial transaction;

15 receiving, with the payment network, a response from the financial institution
16 indicating approval or denial of the debit transaction;

17 determining, with the payment network, whether to provide a guarantee of the
18 Internet-based transaction to the Internet merchant;

19 determining, with the payment network, whether to credit a loyalty program
20 for the customer; and

21 transmitting, with the payment network, an authorization code indicating
22 approval or denial of the Internet-based transaction.

1 11. The method recited in claim 10 wherein:
2 the first information packet includes an identification of the Internet merchant;
3 and

4 determining whether to provide the guarantee of the Internet-based transaction
5 comprises determining whether the Internet merchant is one of an identified list of Internet
6 merchants who request guarantees of all Internet-based financial transactions.

1 12. The method recited in claim 10 wherein determining whether to
2 provide the guarantee of the Internet-based transaction comprises determining whether the
3 transaction information is consistent with a predefined set of parameters.

1 13. The method recited in claim 10 wherein the first information packet
2 further comprises a request from the Internet merchant for the guarantee of the Internet-based
3 transaction.

1 14. A payment network comprising:
2 a communications device;
3 a processor;
4 a storage device; and
5 a memory coupled with the processor, the memory comprising a computer-
6 readable medium having a computer-readable program embodied therein for directing
7 operation of the payment network, the computer-readable program including:
8 instructions for receiving, with the communications device, a first
9 information packet from the Internet merchant, the first information packet comprising a
10 credential assigned to the customer and transaction information specifying at least a cost of
11 the Internet-based financial transaction;

12 instructions for determining from the credential, with the processor,
13 account information that identifies a financial account maintained by the customer at a
14 financial institution and authorization information that allows debit access to the identified
15 financial account;

16 instructions for generating, with the processor, a second information
17 packet comprising the transaction information, the account information, and the authorization
18 information; and

19 instructions for transmitting, with the communications device, the
20 second information packet to the financial institution with a request to perform a debit
21 transaction from the identified financial account for the specified cost of the Internet-based
22 financial transaction.

1 15. The payment network recited in claim 14 wherein the computer-
2 readable program further includes:

3 instructions for receiving, with the communications device, a response from
4 the financial institution indicating approval or denial of the debit transaction; and

5 instructions for transmitting, with the communications device, an authorization
6 code to the Internet merchant indicating approval or denial of the Internet-based financial
7 transaction in accordance with the response received from the financial institution.

1 16. The payment network recited in claim 15 wherein the computer-
2 readable program further includes:

3 instructions for performing, with the processor, a risk analysis of the Internet-
4 based financial transaction; and

5 instructions for determining, with the processor, whether to provide a
6 guarantee of the Internet-based transaction to the Internet merchant based on the risk analysis,
7 wherein the authorization code further reflects whether the guarantee is
8 provided.

1 17. The payment network recited in claim 16 wherein:

2 the first information packet includes an identification of the Internet merchant;
3 and

4 the instructions for determining whether to provide the guarantee of the
5 Internet-based transaction comprise instructions for determining whether the Internet

6 merchant is one of an identified list stored on the storage device of Internet merchants who
7 request guarantees of all Internet-based financial transactions.

1 18. The payment network recited in claim 16 wherein the instructions for
2 determining whether to provide the guarantee of the Internet-based transaction comprise
3 instructions for determining whether the transaction information is consistent with a
4 predefined set of parameters.

1 19. The payment network recited in claim 16 wherein the first information
2 packet further comprises a request from the Internet merchant for the guarantee of the
3 Internet-based transaction.

1 20. The payment network recited in claim 14 wherein:
2 the communications system is coupled with an automated clearing house
3 (“ACH”) network; and
4 the instructions for transmitting the second information packet to the financial
5 institution comprise instructions for transmitting the second information packet over the ACH
6 network.

1 21. The payment network recited in claim 14 wherein the instructions for
2 transmitting the second information packet to the financial institution comprise instructions
3 for transmitting the second information packet over a debit system.

1 22. The payment network recited in claim 14 wherein the instructions for
2 transmitting the second information packet comprise instructions for transmitting the second
3 information packet directly to the financial institution from the communications device.

1 23. The payment network recited in claim 14 wherein:
2 the account information comprises a primary account number (“PAN”) for the
3 identified financial account; and
4 the authorization information comprises a personal identification number
5 (“PIN”) assigned to the customer for accessing the identified financial account.

1 24. The payment network recited in claim 14 wherein the computer-
2 readable program further comprises instructions for crediting, with the processor, a loyalty
3 program for the customer in response to execution of the Internet-based financial transaction.

1 25. The payment network recited in claim 14 wherein:
2 the credential comprises an electronic file having encrypted content received
3 from the customer; and
4 the instructions for determining account information comprise instructions for
5 decrypting the encrypted content.